

FISCAL NOTE

SB 220 - HB 1553

February 5, 2001

SUMMARY OF BILL: Includes in the Basic Education Program (BEP) an amount of money sufficient to fund the placement in each classroom of at least five computer terminals and necessary related accessories. Funding shall be obtained so far as possible from federal funds.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$87,450,000

Increase Local Govt. Expenditures* - Exceeds \$29,150,000

Estimate assumes:

- the \$20,000,000 currently in the BEP for technology would remain in addition to the provisions of the bill; however, since the BEP is a funding formula rather a spending formula, these funds can be used for another purpose at local governments' discretion.
- according to the Department of Education, there are approximately 160,000 computers on ConnectTEN throughout all school systems in the state.
- in 1999-00, there were approximately 22,000 public school classrooms and 894,397 students (ADM) in Tennessee.
- a few schools may already have five computers in each classroom and most schools have five computers in each school with a few exceptions. However, it can be assumed that some of these are presently in need of replacement.
- if the provisions of this bill would require funding for an additional five computers per classroom (22,000), this would require funding for approximately 110,000 computers.
- a cost of \$1,000 for each computer terminal plus \$300 for a printer totaling \$5,300 for each set of five computers per classroom. This cost does not include maintenance agreements or any replacement costs.
- the total expenditures to state and local governments will be less to the extent federal funds could be obtained to assist in the purchase of computers.
- the increase in state and local government expenditures will be shared 75% state and 25% local.

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It should be noted that the BEP does not fund any components on a per-classroom basis. All components are funded on a per-system or a per-student basis. If these additional funds are not specifically earmarked for the purchase of computers, these funds could be used for another purpose other than computers. However, the Office of Education Accountability in the Comptroller's Office indicates that all local education agencies are already spending significantly more than the BEP requires.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director